

Message Text

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INFO OCT-01 ISO-00 CG-00 DOTE-00 CIAE-00 DODE-00 PM-07

H-03 INR-10 L-03 NSAE-00 NSC-07 PA-04 RSC-01 PRS-01

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FM SECSTATE WASHDC

TO AMEMBASSY SAIGON

INFO ALL EAST ASIAN AND PACIFIC DIPLOMATIC POSTS

USSAGE NK PHANOM

CINCPAC

AMCONSUL BIEN HOA

AMCONSUL CAN THO

AMCONSUL DANANG

AMCONSUL HONG KONG

AMCONSUL NHA TRANG

USDEL JEC PARIS

COGARD

XMT AMEMBASSY SUVA

AMEMBASSY RANGOON

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COGARD FOR POLAD

E.O. 11652: N/A

TAGS: PFOR, XC, US

SUBJECT: JUNE 7 EA PRESS SUMMARY

INDOCHINA

1. FINNEY (NYT) SEES SIGNIFICANT ADMIN VICTORY WHEN

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SENATE BY 54-35 AND 46-44 VOTES REJECTED MANSFIELD

ATTEMPTS TO CUT US FORCES OVERSEAS. REPORTS THAT "CONGRESSIONAL QUARTERS" GIVE HAK PRESTIGE AS IMPORTANT FACTOR IN VOTE, BELIEVES SENATE STAND AGAINST TROOP CUTS IS HARDENING. CORDDRY (SUN) AGREES THAT ADMIN WON MAJOR VICTORY FOR ITS EUROPEAN AND ASIAN POLICIES. SAYS EFFORT AT LARGER CUT WAS "TRIAL RUN" NOT EXPECTED TO SUCCEED AND VOTED AGAINST BY MANY LIBERALS, INCLUDING HUMPHREY, KENNEDY AND MONDALE, WHO LATER VOTED FOR SMALLER CUT. ADMIN SUCCESSFULLY ARGUED THAT CUTS WOULD DISRUPT MBFR NEGOTIATIONS WITH USSR AND HARM PEACE-BUILDING EFFORTS IN PACIFIC AND ASIA. CORDDRY MENTIONS ADOPTION BY VOICE VOTE OF KENNEDY AMENDMENT TO BAR USE OF FY 75 DOD FUNDS TO BUY WAR STOCKS EARLIER EARMARKED FOR POSSIBLE USE IN SK, SVN AND THAILAND; SAYS SENATOR CONCERNED THAT SUCH STOCKS COULD BE USED TO "CIRCUMVENT" CONGRESSIONAL CEILINGS ON MIL AID, ESPECIALLY FOR SVN. KENNEDY PROPOSAL REQUIRES SPECIFIC CONGRESSIONAL APPROVAL TO DRAW DOWN SUCH STOCKS. RICH (WP) QUOTES MANSFIELD'S RHETORICAL QUESTIONS

DURING DEBATE, "HAVEN'T WE REACHED PEACE IN SOUTHEAST ASIA? HAVEN'T WE NORMALIZED RELATIONS WITH THE PEOPLE'S REPUBLIC OF CHINA? HASN'T THE PENTAGON SAID THAT SOUTH KOREA'S ARMY IS FULLY CAPABLE OF DEFENDING ITSELF?" THEN WHY IS IT NECESSARY TO MAINTAIN 38,000 TROOPS IN SK, 32,000 IN JAPAN AND 2,000 ON OKINAWA?

2. CHITRIB ARTICLE REPORTS "SCATHING" THIEU ATTACK ON US AT ANNUAL TEACHER'S CONGRESS (ALSO IN PHINQ; UPI, NYT) WAS PROBABLY DUE TO SENATE'S REJECTION LAST MONTH OF 266 MILLION DOLLAR REQUEST FOR AMMO FOR SVN.

3. SVN'S CHIEF MIL NEGOTIATOR ANNOUNCES RESTORATION OF DIPLOMATIC PRIVILEGES AND IMMUNITIES TO VC DELEGATION TO JMC IN HOPES OF RESUMING TALKS TO IMPLEMENT C-F; SAYS HE SENT LETTER ASKING VC TO RETURN TO CONFERENCE TABLE NEXT TUESDAY (WP). TWENTY HOA HAO BUDDHISTS IN DELTA CUT OFF LITTLE FINGERS TO UNCLASSIFIED

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PROTEST GVN REFUSAL TO MEET DEMANDS INCLUDING SEPARATE DEFENSE FORCE (UPI, WP).

4. SVN MIL COMMAND CLAIMS TWO-PRONGED NVN ATTACK SMASHED NEAR BEN CAT, BUT ENEMY LAUNCHES ANOTHER DRIVE. COMMUNISTS USING MORE TANKS THAN EVER SO CLOSE TO SAIGON (AP AND REUTER, NYPOST 6/6). ARVN SAYS FIGHTING CONTINUES IN BEN CAT AREA WHERE

RETREATING NVN TROOPS SUBJECT GVN FORCES TO HEAVY BARRAGE. ALSO REPORTS ASSAULT ON GVN OUTPOST SE OF HUE REPELLED WITH 29 COMMUNISTS KIA, AND THAT ANOTHER 32 COMMUNISTS DIE IN ATTACK ON GVN POSITION IN BINH DINH PROVINCE. GVN LISTS 110 COMMUNIST C-F VIOLATIONS IN PAST DAY, WITH 174 COMMUNISTS AND 35 GVN TROOPS KIA (UPI, GLOBE 6/6).

5. AT LEAST 70 STUDENTS REPORTEDLY ARRESTED FOLLOWING SLAYING OF KHMER EDUCATION MINISTER (WP). NYT REPORTS FROM PP THAT CITY IS QUIET WITH SCHOOLS CLOSED BUT DIPLOMATS, GKR OFFICIALS AND "EVEN SOME STUDENTS" WONDER WHICH WAY PROTESTS WOULD TURN NEXT. ONE THEORY IS THAT SINCE WIDELY AGREED THAT STUDENTS DID NOT KILL GKR OFFICIALS, STUDENT LEADERS HAVE BEEN SHOCKED AND SOBERED BY INCIDENT AND MAY MODERATE PROTESTS. SOME BELIEVE THAT FURTHER ARRESTS WILL DEEPEN PROTEST. CONFUSION EXISTS OVER WHO DID KILL OFFICIALS. EARLY REPORT HELD GKR RESPONSIBLE, BUT US TEACHER ON SCENE SAYS SAW LONE GUNMAN FIRE FATAL SHOTS. PROMINENT MONK BELIEVES POLICE OVERREACTED BY ENTERING SCHOOL,

BUT HIGH-RANKING WESTERN DIPLOMAT WHO INVESTIGATED INCIDENT SAYS POLICE ENTERED ONLY WITH STICKS AND SHIELDS AND WERE ON GROUND FLOOR FIGHTING OFF STUDENTS WHEN OFFICIALS KILLED ON SECOND FLOOR. SIGNIFICANCE AND DURABILITY OF STUDENT OPPOSITION UNCLEAR; SCHOOLS TO REOPEN SATURDAY AND CITY WANTS TO SEE WHAT WILL HAPPEN THEN.

6. REUTER PP QUOTES "INFORMED SOURCES" THAT FOUR MORE GKR MINISTERS - INTERIOR, COMMERCE, PUBLIC HEALTH AND ECON AFFAIRS - RESIGNED, BRING TOTAL TO EIGHT SINCE UNCLASSIFIED

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DEATH OF EDUCATION MINISTER; LONG BORET GOVERNMENT PLUNGED INTO "APPARENTLY SERIOUS POLITICAL CRISIS."

7. TWELVE DIE IN THIRD COMMUNIST ROCKET ATTACK ON PP IN WEEK. SOME ROUNDS HIT CLOSE TO PAGODA WHERE LONG BORET ATTENDING CEREMONY, BUT PM UNINJURED (CHITRIB; PHINQ; REUTER, NYT).

MALAYSIA

8. NATIONAL NEWS AGENCY SAYS GOM'S POLICE INSPECTOR-GENERAL WAS SHOT DEAD IN CENTER OF KL FRIDAY (REUTER; WP).

9. GOM OFFICIAL, MICHAEL CHEN, SAYS CHOU EN-LAI

TOLD PM RAZAK THAT HE WANTS TO VISIT MALAYSIA, IF HEALTH PERMITS, TO SEE COUNTRY'S DEVELOPMENT FOR HIMSELF (AP, WP).

CHINA

10. CSM'S ELLIS CITES EXPERTS' FORECASTS OF SURPRISING DEVELOPMENTS IN PRC ECONOMY -- INCLUDING POSSIBLE FOOD SELF-SUFFICIENCY BY 1980. WORLD BANK'S MONTAGUE YUDELMAN NOTES PRC IS ENGAGED IN WORLD'S BIGGEST CONSTRUCTION PROGRAM IN FERTILIZER PLANTS ACQUIRED FROM US AND OTHER WESTERN NATIONS. DOS' CHAS. FREEMAN SAYS THESE PLANTS SHOULD GRADUALLY EASE PEKING'S NEED TO BUY FOREIGN GRAINS, SO THAT BY 1980 CHINA MAY BE EXPORTING FERTILIZER, AND BY END OF DECADE POL EXPORTS COULD EARN PRC 5-8 BILLION DOLS YEARLY. FREEMAN ADDS THAT IN SIX YEARS ONE MIGHT HOPE FOR SINO-US TRADE ON ORDER OF 4 BILLION DOLS YEARLY, WITH BALANCE 3-1 IN US FAVOR; SUGGESTS THAT AS CHINA MOVES TOWARD FOOD SELF-SUFFICIENCY, US EXPORTS LIKELY TO SHIFT FROM FOODS TO HIGH TECHNOLOGY. ONE SPECIALIST THINKS CHINA'S CURRENT RELIANCE ON FOREIGN GRAINS AND ITS SEARCH FOR SELECTIVE WESTERN TECHNOLOGY MAY

PUSH OVER-ALL CHINESE TRADE 450 MILLION DOLS IN RED THIS YEAR. BUT HE ADDS THAT PRC HAS AMPLE FOREIGN-UNCLASSIFIED

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EXCHANGE RESERVES TO FINANCE IMPORT NEEDS UNTIL FOOD SELF-SUFFICIENCY AND POL EXPORTS AGAIN PROPEL ITS TRADE INTO SURPLUS.

11. SAYS IT REGISTERED TRADE DEFICIT OF 328 MILLION DOLS IN FIRST FIVE MONTHS THIS YEAR, BUT THAT OVERALL TRADE FIGURE OF 5.02 BILLION DURING THAT PERIOD REPRESENTED GROWTH OF 84.7 PERCENT FROM SAME PERIOD LAST YEAR (UPI, JOC).

JAPAN

12. JAPAN'S FOREIGN AID PROGRAM, WHICH GREW AT SLOW RATE IN 1972, PUT ON IMPRESSIVE SPURT LAST YEAR. HOWEVER, THIS REFLECTS MASSIVE INCREASE IN DIRECT OVERSEAS INVESTMENT BY JAPANESE COMPANIES THAT OCCURRED LAST YEAR, REPORTS JOC.

JOC TOKYO DISPATCH SAYS JAPAN MAY HAVE TO CARRY OUT DRASTIC DIVERSIFICATION OF ITS FOOD SUPPLIES IF RESOLUTION ON ESTABLISHMENT OF 200-MILE ECONOMIC ZONE FOR COASTAL STATES IS ADOPTED AT LOS CONFERENCE. COUNTRY'S

FISHING INDUSTRY DRAWS ABOUT 45 PERCENT OF ITS CATCH FROM AREAS THAT WOULD FALL WITHIN 200-MIL LIMITS OF OTHER COUNTRIES, ESPECIALLY US AND SOVIET. GOJ HOPES CARACAS CONFERENCE WILL ADOPT RESOLUTION SAFEGUARDING "HISTORICAL RIGHTS" OF MAJOR FISHING COUNTRIES THAT WOULD ENABLE NATIONS LIKE JAPAN TO CONTINUE FISHING WITHIN 200-MILE ZONE SUBJECT TO AGREED CONDITIONS.

KOREA

13. WIDE COVERAGE IS ACCORDED LATEST ROK DOWNING OF US CHOPPER (UPI CHITRIB, BALTO N-A 6/6; CSM; PHINQ; AP SUN, NYDN). AP NOTES THAT DOS OFFICIALS SAY SHOOTING "OBVIOUSLY WAS THE RESULT OF A MISUNDERSTANDING," BUT THEY NOTE THIS WAS SECOND INCIDENT OF ITS KIND IN LESS THAN MONTH (NYPOST 6/6).

14. USDA ANNOUNCES EXTENDING 50 MILLION DOLS CCC
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CREDIT TO SK FOR COTTON (JOC).

THAILAND

15. SPEAKING TO REPORTERS AFTER MAKING NEW GOVT'S POLICY SPEECH TO NATIONAL ASSEMBLY, SANYA DISCLOSES THAT COMMUNIST PLOT TO SEIZE POWER AFTER ELIMINATING RELIGION AND MONARCHY HAS BEEN UNCOVERED SINCE HE CAME TO POWER IN OCT. DECLINES TO GIVE DETAILS, SAYS PLANS DRAWN UP BY CENTRAL COMMITTEE OF THAI COMMUNIST PARTY AND ALLEGED PLOTTERS MAINLY THAIS, THOUGH SOME WERE FOREIGNERS (REUTER BANGKOK).

PHILIPPINES

16. JOC'S LAWRENCE REPORTS THERE WILL BE "UNCELEBRATION" JULY 4 AS 18-YEAR-OLD LAUREL-LANGLEY AGREEMENT EXPIRES. AGREEMENT WILL NOT BE RENEWED, NEITHER GOVT. PROFESSES TO WANT IT; BUT BOTH PLAN TO NEGOTIATE NEW AGREEMENT SIMILAR TO TREATIES US HAS WITH MANY OTHER COUNTRIES. NEGOTIATIONS EXPECTED TO TAKE MONTHS, AND MEANWHILE US FIRMS WILL CARRY ON BUSINESS IN FILS WITH SOME UNCERTAINTY AND SOME POTENTIAL US INVESTORS ARE SEEN BIDDING THEIR TIME PENDING TREATY. SAYS "NEW US-PHILIPPINE RELATIONSHIP ALSO IS LIKELY TO BE REFLECTED IN NEW US SUGAR LEGISLATION." NOTES MARCOS HAS ANNOUNCED THAT, DESPITE LAUREL-LANGLEY'S TERMINATION, GOP WILL NOT TAKE OVERT ACTION AGAINST US BUSINESSES, AT LEAST UNTIL NEXT MAY 27; HOPEFULLY, THERE WILL BE NEW TREATY

BY THEN. MAJOR CONCERN OF US BUSINESS IS REPORTEDLY THAT GOP MIGHT INSIST ON ACQUIRING US-OWNED LAND ON LESS THAN FAVORABLE TERMS. IF FORCED TO SELL, FIRMS SAID TO WANT ASSURANCES OF CONTINUED ACCESS TO LAND ON REASONABLE TERMS. AS PART OF ANY FUTURE PACT, GOP MAY MAKE SOME TRADE DEMANDS ON US, ESPECIALLY FOR LOWER TARIFFS ON MAHOGANY WOOD PRODUCTS AND DUTY-FREE TREATMENT OF COCONUT OIL.

17. AFP SAYS MOSLEMS HAVE OFFERED MARCOS FIVE-POINT PEACE PLAN AMID REPORTS THAT 25 GOVT. SOLDIERS KILLED BY REBELS IN FIGHTING NEAR MARAWI CITY SINCE SUNDAY.
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PEACE PLAN DEMANDED WITHDRAWAL OF GOVT TROOPS FROM MINDANAO TROUBLED ZONES. NUMBER OF MOSLEM REBEL COMMANDERS ARE ATTENDING FOUR-DAY MEETING WITH GOVT. SAFE-CONDUCT PASSES (WP).

COMMENT AND ANALYSIS

CHINA

18. SUN'S SEIDEN IN TAIPEI SAYS CCK HAS BEEN BITTER

DISAPPOINTMENT TO THOSE WHO HOPED HE WOULD NOT FOLLOW IN FOOTSTEPS OF HIS AUTOCRATIC FATHER. AT FIRST, WHEN CCK'S GROWING INFLUENCE BEGAN TO ECLIPSE AGING GIMO'S, THERE WAS CORRESPONDING LIBERALIZATION ON TAIWAN. BUT IN 1972, WHEN CCK WAS APPOINTED PREMIER - A POSITION THAT FORMALIZED HIS ROLE AS EFFECTIVE RULER - HE BEGAN TO MAKE CLEAR THAT ANY DIFFERENCES WOULD BE IN STYLE, NOT IN SUBSTANCE. CCK CONTINUES TO PORTRAY HIMSELF AS MAN OF THE PEOPLE, BUT MOMENTUM OF LIBERALIZATION APPEARS TO HAVE RUN DOWN. RECENT ELECTIONS, DENOUNCED BY OPPOSITION LEADERS AS "FRAUD," ONLY STRENGTHENED KMT CONTROL AT EXPENSE NATIVE TAIWANESE. POL OBSERVERS SAY TAIWANESE LEADERS WHO GROW TOO POPULAR ARE EITHER "BOUGHT OFF, KICKED UPSTAIRS OR OTHERWISE SILENCED."

19. LAT'S ELEGANT IN HONG KONG SAYS THE GILT IS OFF THE FACADE OF SINO-US RELATIONSHIP - FOR REASONS HAVING LITTLE TO DO WITH EITHER COUNTRY'S ACTIONS ABROAD OR ITS FUNDAMENTAL ATTITUDE TOWARD EACH OTHER. DOMESTIC POLITICS ARE FORCING CHANGES IN QUASI-ALLIANCE PROCLAIMED BY HAK AND CHOU LAST NOV, CHIEF PRACTICAL EFFECT BEING LOSS OF MOMENTUM. SINO-US AXIS FAILED TO BECOME A MAJOR FORCE IN WORLD AS RAPIDLY AS ENVISIONED, WHILE USLO AND PRCLO FAILED TO EXPAND AS AGREED. ELEGANT ATTRIBUTES SITUATION

PARTIALLY TO WATERGATE, AND TO HAK'S PREOCCUPATION
WITH EUROPE AND ME.

NOTES THAT CHOU EXPLOITS FOREIGN POLICY THAT
WAS, UNTIL RECENTLY, SPECTACULAR SUCCESSFUL TO BOLSTER
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HIS DOMESTIC POWER IN FACE OF "LEFTIST" ATTACKS.
BUT THE LONGER THE NIXON ADMIN TWISTS IN THE WIND,
THE MORE VULNERABLE CHOU BECOMES. CHOU THEREFORE
RELUCTANTLY MADE CONCESSIONS TO "LEFTISTS" WHO
CRITICIZE HIS EXCESSIVE FRIENDSHIP WITH US. BUT
CONCESSIONS ARE LARGELY VERBAL; FUNDAMENTAL INTERESTS
HAVE SO FAR NOT BEEN AFFECTED.

CANGES PRIMARILY CONCERN NUANCES AND SYMBOLS. AS
EXAMPLES, PRC REQUEST FOR WITHDRAWAL FROM PEKING OF
SMALL MARINE CONTINGENT, WHICH RECALLS TIME WHEN
FOREIGNERS ENJOYED EXTRATERRITORIAL RIGHTS IN CHINA;
ANTI-US EXHIBITION IN CHUNGKING ATTRACTS LARGE CROWDS,
BUT CHINESE CRITICISM IS GENERAL RATHER THAN SPECIFIC
AS CHINESE ENEMY REMAINS USSR. ALSO, FEWER AMERICANS
ARE VISITING CHINA, AND US CORRESPONDENTS ARE VIRTUALLY
BANNED. INTERNAL DIFFICULTIES ARE LARGELY RESPONSIBLE
FOR DECREASE IN AMERICAN VISITORS, THOUGH MANY FUTURE
VISITS ARE SCHEDULED.

ACCORDING ELEGANT, SINO-US RELATIONSHIP IS STRONG DESPITE
ALTERED RHETORIC; EVEN "LEFTISTS" DO NOT CHALLENGE FUNDA-
MENTAL TENETS OF FOREIGN POLICY HALLOWED BY MAO'S
APPROVAL. GROWING SINO-US TRADE DEMONSTRATES POLICY'S
MUTUAL BENEFITS. EQUALLY IMPORTANT, DESIRE FOR MUTUAL
PROTECTION AGAINST USSR UNITES WASHINGTON AND PEKING.
CHINESE ENDORSE US PRESENCE IN INDIAN OCEAN AND DIEGO
GARCIA BASE, HAILED RECENT CENTO MEETING FOR "COMBATTING
SOVIET AGGRESSION." MOST REMARKABLY, PEKING PRAISED
HAK'S EFFORTS IN ME. CONCLUDES THAT BEHIND SHIFTING
NUANCES, SOLID REALITIES OF SINO-US QUASI-ALLIANCE ENDURE.
AS CHINESE SAY OF RECENT DEVELOPMENTS, THE FORM BUT NOT
SUBSTANCE HAS BEEN ALTERED.

SINGAPORE

20. NYT'S SCHANBERG IN SINGAPORE REPORTS INDIAN JOURNALIST
T.K.S. GEORGE'S CRITICAL BOOK ON "LEE KUAN YEW'S SINGAPORE"
SOARING TO TOP OF COUNTRY'S BEST-SELLER LIST. BOOK
CALLS LEE DICTATORIAL AND SAYS HIS RULE IS "REMINISCENT
OF MUSSOLINI'S ITALY." LEE REPORTEDLY ALLOWED BOOK
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INTO COUNTRY AS CONSCIOUS ATTEMPT TO REBUT CHARGE THAT FREEDOM OF EXPRESSION STIFLED. IN SCHANBERG'S VIEW, BOOK'S IMPORTANCE RESTS ON BASIC QUESTION IT RAISES ABOUT ASIANS AND SOCIETIES: HOW AUTHORITARIAN MUST A GOVERNMENT BE TO PRODUCE EFFICIENCY AND ECON PROGRESS?

BASIC THEME IS THAT LEE HAS IN THE NAME OF PROGRESS METHODICALLY QUASHED POLITICAL OPPOSITION, INTIMIDATED PRESS, SUPPRESSED TRADE UNION MOVEMENT AND IMPOSED CONTROLS IN UNIVERSITIES. SCHANBERG THINKS BOOK'S HISTORICAL FACTS ARE ESSENTIALLY ACCURATE, BUT FINDS THAT MOST SINGAPOREANS SEEM SATISFIED WITH THEIR LIVES, SOME EXPRESSING PRIDE IN COUNTRY'S ORDERLINESS AND ECON SUCCESS.

VIETNAM

21. STEPHEN ROSENFELD (WP) CITES SZULC ARTICLE AND DISCLOSURES OF SOME PRIVATE UNDERSTANDINGS GIVEN ISRAEL AND SYRIA AS PART OF DISENGAGEMENT ACCORD AS EXPLAINING HAK'S "MAGIC" - "HE WAVES A BIGGER CARROT OR A BIGGER STICK - UNDER THE TABLE." CONCEDES THAT PRIVATE UNDERSTANDINGS HELPED MAKE POSSIBLE THE "PUBLIC MOVEMENT" IN BOTH VN AND ME CASES; AND IT IS EASY TO UNDERSTAND, FOR INSTANCE, WHY HANOI

WOULD HAVE APPRECIATED HAK'S DISCREET ASSURANCE IN 1973 THAT WITHIN A YEAR THE US WOULD WITHDRAW ITS CIVILIANS "WORKING IN THE ARMED FORCES" OF SAIGON. HAK'S RELUCTANCE TO PASS THIS WORD TO SAIGON ALSO MAKES SENSE.

HOWEVER, US STILL HAS NOT WITHDRAWN ALL ITS CIVILIANS. DOS SPOKESMAN SAID THIS WEEK THAT "OUR STATEMENT OF INTENTION (SIC) TO DO SO WAS IN THE CONTEXT OF A SUBSTANTIAL COMPLIANCE BY NORTH VIETNAM WITH THE AGREEMENT. UNFORTUNATELY, THIS DID NOT PROVE TO BE THE CASE." IN RETROACTIVE DEFENSE OF ITS VN DIPLOMACY, DOS ALSO POINTED OUT THAT NONE OF SECRET UNCLASSIFIED

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UNDERSTANDINGS INVOLVED "ADDED OBLIGATIONS ON THE PART OF THE UNITED STATES" - AN "OBLIGATION" BEING DEFINED AS A COMMITMENT TO INCREASE RATHER THAN

REDUCE THE US ROLE.

RE ME SETTLEMENT, ROSENFELD CLAIMS THAT HAK BRIEFED SFRC ON ONLY ONE OF THREE UNDERSTANDINGS. SEES TACTICAL REASONS IN DIPLOMACY FOR "AIRING THIS OR HIDING THAT," BUT TAKES VIEW THAT IT IS IN COUNTRY'S LONG-RANGE INTEREST TO KNOW FULLY ITS GOVT'S MAJOR FOREIGN UNDERTAKINGS. VN EXPERIENCE PROVES US SPONSORSHIP OF SETTLEMENTS CANNOT BE ASSURED FIRM AND CONTINUING SUPPORT OF AMERICAN PEOPLE IF PEOPLE ARE NOT BROUGHT IN. FAVORS CASE ACT, WHICH REQUIRES EXECUTIVE TO TRANSMIT TO CONGRESS TEXT OF "ANY INTERNATIONAL AGREEMENT" OTHER THAN TREATY; IF PRES THINKS PUBLICITY WOULD BE "PREJUDICIAL TO THE NATIONAL SECURITY," HE CAN TRANSMIT TEXT PRIVATELY TO TWO FOREIGN AFFAIRS COMMITTEES.

22. NYT'S MARKHAM IN SAIGON CITES "WELL-PLACED SOURCES" THAT "ONCE-INTREPID CRITIC" OF THIEU, TRAN NGOC CHAU, WAS RELEASED JUNE 5 ON UNDERSTANDING HE WOULD NOT ENGAGE IN POLITICAL ACTIVITY. INFORMED

VIETS BELIEVE TIMING OF RELEASE RELATED TO CONGRESSIONAL DELIBERATIONS ON ADMIN AID REQUEST.

MARKHAM RECALLS THAT DURING VC-SAIGON PRISONER EXCHANGES THIS YEAR, CHAU WAS FLOWN TO LOC NINH, OSTENSIBLY TO BE TURNED OVER TO OTHER SIDE AS COMMUNIST "SPY." CHAU REFUSED TRANSFER, AND BACK IN SAIGON, REFUSED "RETURNEE" STATUS, WHICH WOULD REQUIRE REPENTING FOR HIS COMMUNIST ACTIVITIES AND RETURNING TO GOVT. FOLD.

CHAU, AN ARCHITECT OF US-FUNDED PACIFICATION PROGRAM AND STAUNCH ANTI-COMMUNIST, WAS SENTENCED IN MARCH 1970 TO 10 YEARS' IMPRISONMENT BY MILITARY FIELD COURT. HE WAS ACCUSED OF HAVING HELD SERIES OF MEETINGS WITH UNCLASSIFIED

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HIS BROTHER, TRAN NGOC HIEN, A HIGH-RANKING NVN INTELLIGENCE OFFICER. CHAU CONCEDED HE HAD 8 SUCH MEETINGS, BUT HAD BEEN ENCOURAGED TO CONTINUE THEM BY JOHN PAUL VANN. IN 1968-69, CHAU BEGAN ADVOCATING PEACE TALKS AMONG HANOI, SAIGON AND VC - WITHOUT AMERICANS. THOUGH HE OPPOSED COALITION WITH COMMUNISTS, CHAU'S POSITION REPORTEDLY UNSETTLED THIEU BECAUSE SIMILAR POLICY WAS BEING ADVOCATED BY GENS. DUONG VAN MINH AND TRAN VAN DON. THIEU HAD OTHER GRIEVANCES AGAINST CHAU, WHOSE ARREST AND CONVICTION OUTRAGED

MANY AMERICAN ADVISERS. BUT AMBASSADOR BUNKER ULTIMATELY
BARRED AMERICANS FROM TALKING ABOUT THE CASE.

23. CHITRIB'S KIRK IN SAIGON SAYS CHIEF SOURCE
OF REPORTS ABOUT BLEAK SITUATION IN NVN IS US MISSION'S
"BEST-KNOWN HANOI WATCHER, DOUGLAS PIKE." KIRK
RAISES QUESTION AS TO HOW MUCH OF PIKE'S ANALYSIS
IS SERIOUSLY CREDIBLE AND HOW MUCH IS PROPAGANDA
CHURNED OUT FOR HIS USIA EMPLOYER. OTHER ANALYSTS
OF NVN AFFAIRS NOTE THAT PIKE AND OTHERS
IN US EMBASSY HAVE BEEN PRESENTING A CONSISTENTLY
NEGATIVE VIEW OF NVN LIFE THROUGHOUT THE WAR, BUT
THAT SOMEHOW NVN NOT ONLY STAVED OFF ECON DISASTER
AND COLLAPSE, ONE OF THE MOST FREQUENT PREDICTIONS,
BUT MAINTAINS AN ARMY OF HALF MILLION, AT LEAST
200,000 IN SVN NOW. IN VIEW OF OTHERS, ONE FLAW
IN AMERICAN ANALYSIS HAS BEEN TENDENCY OF EXPERTS
SUCH AS PIKE TO INTERPRET SELF-CRITICISM AS INDICATION
OF WEAKNESS RATHER THAN INNER STRENGTH. SOME ANALYSTS
BELIEVE SELF-CRITICISM HAS AIDED IN MUSTERING RECRUITS,
TIGHTENING DISCIPLINE, AND KEEPING COUNTRY OPERATING
ON WAR FOOTING THROUGH SUCCESSION OF OFFENSIVE IN
SVN. WHILE PIKE'S REPORTS APPEAR FACTUALLY BASED,
THEIR PROPAGANDA MESSAGE IN TERMS OF US INTERESTS
INVARIABLY SHOWS THROUGH. KISSINGER

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